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Ad Hoc Working Group on Comparative
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First session
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Agenda item 3

ESTABLISHMENT OF THE WORK PROGRAMME OF THE AD HOC WORKING GROUP

Draft work programme submitted by the Chairman

1. Pursuant to a New Partnership for Development: the Cartagena Commitment, adopted at the eighth session of the Conference, the Ad Hoc Working Group agreed, on the basis of Board decision 398 (XXXVIII) which sets out in Annex B the terms of reference of the Ad Hoc Working Group on Comparative Experiences with Privatization, the following work programme.

A. Design, implementation and outcome of privatization programmes

1. On the basis of country presentations and cross-country analyses by the secretariat, the Ad Hoc Working Group will undertake an analysis of comparative experiences with respect to the design, implementation and results of privatization programmes, taking into account the diversity of country situations.

2. In particular, the Ad Hoc Working Group will consider:

I. Objectives

(a) Factors and reasons influencing decisions to privatize;
(b) Objectives of privatization;

II. Macroeconomic considerations

(c) The macroeconomic framework for privatization;

III. The role of the State

(d) Share of the public sector in the economy;
(e) Institutional arrangements; human resource development;
(f) Competition and regulation of privatized monopolies;

IV. Technical, legal, financial and other aspects

(g) Legal aspects;
(h) Selection of enterprises for privatization; pace and sequencing of their privatization;
(i) Techniques for privatization;
(j) Financing of privatization, including the role of foreign investment, international agencies and bilateral donors;
(k) Environmental aspects;

V. Social impact

(l) Social impact and socially related support measures;

VI. Results of privatization

(m) Results of privatization and their assessment, including the main problems faced by the countries concerned.

3. In the light of its work, the Ad Hoc Working Group will elaborate basic elements for consideration in formulating privatization programmes and plans.

B. Organization of work

B.1 Country presentations

4. Voluntary country presentations will be invited from a representative sample of countries in terms of their country situations and levels of development and the extent of their experience with privatization, on the basis of an outline to be provided by the secretariat.

B.2 Contributions by the secretariat and other international bodies

5. The secretariat will compile a list of the main publications and national legal materials relevant to the work of the Ad Hoc Working Group. The secretariat will prepare and circulate a list of national focal points dealing with privatization in order to facilitate exchanges among them, including the exchange of legal materials and other guidelines.

6. The secretariat will provide to countries, at their request, technical assistance, advice and information in this area within the available resources. In this connection, the special situation of the least developed countries will be taken into account.

7. Drawing on the country presentations and other studies, the secretariat will prepare cross-country analyses and summarize the main findings in relation to the issues mentioned in paragraph A 2.

8. Presentations will be sought from other international organizations in areas where they have a particular expertise.

B.3 Topics for future sessions

9. The Ad Hoc Working Group agrees on the following topics to be discussed at the forthcoming sessions:

Second session
- Review of country presentations in the light of a cross-country analysis by the secretariat on the design, implementation and results of privatization programmes;
- In-depth consideration of:
  (i) Techniques for privatization;
  (ii) Financing of privatization.

Third session - Review of country presentation in the light of a cross-country analysis by the secretariat on the design, implementation and results of privatization programmes;

- In-depth consideration of:
  (i) Role of foreign investment, international agencies and bilateral donors;
- (ii) Competition and the regulation of privatized monopolies.

Fourth session - Elaboration of basic elements for consideration in formulating privatization programmes and plans;

- Other issues (to be determined).

C. Dissemination of the reports of the Ad Hoc Working Group

10. The reports of each session of the Ad Hoc Working Group will be given the widest possible dissemination.

D. Strengthening technical cooperation

11. In carrying out the above activities, the Working Group will identify areas where technical cooperation should be strengthened.